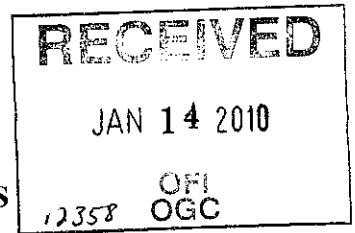


COMMONWEALTH OF KENTUCKY
PUBLIC PROTECTION CABINET
DEPARTMENT OF FINANCIAL INSTITUTIONS
AGENCY CASE NO. 2009-AH-90



DEPARTMENT OF FINANCIAL INSTITUTIONS

COMPLAINANT

vs.

PMF, INC. d/b/a PARAMOUNT MORTGAGE FUNDING, INC.

RESPONDENT

AGREED ORDER

* * * * *

1. The Department of Financial Institutions ("DFI") is responsible for regulating and licensing mortgage loan brokers, mortgage loan companies, mortgage loan originators, and mortgage loan processors in accordance with the provisions set forth in KRS Chapter 286.8, the Mortgage Loan Company and Mortgage Loan Broker Act (the "Act").

2. PMF, Inc. d/b/a Paramount Mortgage Funding, Inc. ("PMF") was authorized to do business in Kentucky as a HUD exempt mortgage company (ME 22239) pursuant to the Act, with its office located at 1301 31W Bypass, Bowling Green, Kentucky 42101.

3. During an examination, DFI discovered that PMF had utilized an unregistered loan officer to originate mortgage loans during the 2008 calendar year in violation of KRS 286.8-030, which prohibits a mortgage loan broker from employing or using a loan officer who is not registered in accordance with KRS 286.8-255.

4. DFI possesses a range of administrative authority in addressing violations of the Act, including license revocation or denial, the imposition of fines in an amount up to \$25,000 per violation. *See* KRS 286.8-046; 286.8-090.

5. In this case, DFI assessed a fine against PMF in the amount of two thousand five hundred dollars (\$2,500.00) for utilizing an unregistered loan officer to originate Kentucky loans in violation of KRS 286.8-030.

6. In the interest of economically and efficiently resolving the violation(s) described herein, DFI and PMF agree as follows:

a. PMF agrees to a fine assessment in the amount of two thousand five hundred dollars (\$2,500.00) for the violation(s) described herein;

b. PMF agrees to and shall pay the total fine assessed herein of two thousand five hundred dollars (\$2,500) prior to the entry of this Order, which shall be in the form of a certified check or money order made payable to "Kentucky State Treasurer" and mailed to the Department of Financial Institutions, Attn: Shaun T. Orme, 1025 Capital Center Drive, Suite 200, Frankfort, Kentucky 40601;

c. PMF agrees to register with DFI all individuals who originate mortgage loans on Kentucky properties on its behalf; and

d. PMF shall devote the time and resources necessary to ensure continual and full compliance with all statutory requirements set forth in the Act and the regulations set forth in 808 KAR Chapter 12.

7. PMF waives its right to demand a hearing at which it would be entitled to legal representation, to confront and cross examine witnesses, and to present evidence on its own behalf, or to otherwise appeal or set aside this Order.

8. PMF consents to and acknowledges the jurisdiction of DFI over this matter and that this Agreed Order is a matter of public record and may be disseminated as such.

9. In consideration of execution of this Agreed Order, PMF for itself, and for its successors and assigns, hereby releases and forever discharges the Commonwealth of Kentucky, DFI, Office of Legal Services, and each of their members, agents, and employees in their individual capacities, from any and all manner of actions, causes of action, suits, debts, judgments, executions, claims and demands whatsoever, known and unknown, in law or equity, that PMF ever had, now has, may have or claim to have against any or all of the persons or entities named in this paragraph arising out of or by reason of this investigation, this disciplinary action, this settlement or its administration.

10. By signing below, the parties acknowledge they have read the foregoing Agreed Order, know and fully understand its contents, and that they are authorized to enter into and execute this Agreed Order and legally bind their respective parties.

11. This Agreed Order shall constitute the Final Order in this matter.

IT IS SO ORDERED on this the 15th day of JANUARY, 2010.



CHARLES A. VICE
COMMISSIONER

Consented to:

This 17 day of December, 2009.

Kathy Stewart

Kathy Stewart, Director
Division of Financial Institutions
Department of Financial Institutions

This 13 day of January, 2010.

Nicole Cugno

Nicole Cugno
CEO
PMF, Inc.
d/b/a Paramount Mortgage Funding, Inc.

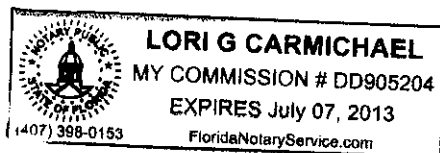
ACKNOWLEDGEMENT

STATE OF Florida)
COUNTY OF Pinellas)

On this the 13 day of January, 200~~9~~¹⁰, before me Lori Carmichael the undersigned, **Nicole Cugno**, did personally appear and acknowledge herself to be the President of PMF, Inc. d/b/a Paramount Mortgage Funding, Inc., and that she, being authorized to do so, entered into and executed the foregoing instrument for the purposes therein contained.

In witness whereof I hereunto set my hand.

My Commission Expires: July 7, 2013



Lori Carmichael
Notary Public

Certificate of Service

I, Shaun T. Orme, hereby certify that a copy of the foregoing **Agreed Order** was sent on this the 19th day of January, 2010, by certified mail, return receipt requested, to the following:

Jeremy Lube
Compliance Manager
PMF, Inc. d/b/a Paramount Mortgage Funding, Inc.
13575 58th Street N, Suite 187
Clearwater, FL 33760



Shaun T. Orme
Department of Financial Institutions
1025 Capital Center Drive
Suite 200
Frankfort, Kentucky 40601
502-573-3390 ext. 282 (phone)
502-573-2183 (facsimile)

Counsel for Complainant